



UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.

Joint Application of

UNITED AIR LINES, INC.

and

SCANDINAVIAN AIRLINES SYSTEM

for approval of and antitrust immunity for an Expanded
Alliance Agreement under 49 U.S.C.
41308 and 41309

Docket OST-96-1411

NOTICE

On May 28, 1996, United Air Lines, Inc. ("United") and Scandinavian Airlines System ("SAS"), and their respective subsidiaries, filed a joint application for approval of and antitrust immunity for an Alliance Expansion Agreement ("the Agreement"). They urge that the Department grant the requested approval and immunity for a five-year term. The application was filed under 49 U.S.C. 41308 and 41309.

According to the Applicants, the objective of the Agreement is to enable the airlines to plan and coordinate service over their respective route networks as if there had been an operational merger between the two companies. They state that the proposed integration will improve the efficiency of their respective operations and effect a "seamless transportation service" to the public, while retaining their separate corporate and national identities. They further maintain that the Agreement will let United and SAS further expand the network synergies achieved by their current Code-Share Agreement, producing increased on-line connections, service improvements, and lower prices.

Our preliminary examination of the application indicates that certain required information and data have not been provided by the Joint Applicants. We are therefore deferring the otherwise applicable 21-day comment deadline until further notice. When we have determined that the record of this case is complete, we will announce an appropriate procedural schedule for reaching a decision expeditiously.

ACCORDINGLY:

1. We defer the 21-day deadline for the filing of comments set forth in ~~CFR~~ Part 303, until further notice;

¹ United and SAS state that they will separately file certain required additional information, accompanied by motions for confidential treatment under Rule 39. We have reviewed the record of this case and find that Informational Items identified by the Joint Applicants as A, B, and G have not been filed. Joint Application, at 44 and 48.

2. Upon our determination that the Joint Application is complete, we will establish a procedural schedule for comments and such other responsive pleadings as may be determined necessary to decide this matter fairly and expeditiously; and

3. We shall serve this notice on the parties served with the application.

By:

CHARLESA. HUNNICUTT
Assistant Secretary for Aviation
and International Affairs

(SEAL)

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